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ON A SWEDISH FARM

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FRONT COVER

On a Swedish Farm

Swedish farm woman with her pig. Pork constitutes about half of the red-meat production in northwestern Europe. (Photo courtesy of the American Swedish News Exchange.)

BACK COVER

Number of Livestock and Output of Products In Nine Northwestern European Countries

Livestock numbers and the output of meat, milk, and eggs are higher now than before the war in nearly all the countries of northwestern Europe. Sheep numbers and wool production are a notable exception.

NEWS NOTES

Wisconsin Schedules Land Tenure Conference

A free world's answer to Communist land policies will be sought at an international conference on land tenure to be held at the University of Wisconsin this fall.

The meetings, which will start in October and continue for 5 weeks, are expected to draw agricultural leaders, educators, and land tenure experts from 50 nations all over the world, says the University's President E. B. Fred.

Three agencies of the United States Government are joint sponsors—the Economic Cooperation Administration, the Technical Cooperation Administration of the Department of State, and the Department of Agriculture.

The meetings will bring together a selected group of experts on ownership, management, and inheritance of agricultural land and other natural resources. They will aim at giving representatives from all of the nations a chance to study thoroughly their own land tenure problems and to consider land policies that will improve economic and social conditions.

About 70 experts, many of them representing educational or research institutions, are expected. Many will visit American farming areas and meet American farmers and farm leaders. About 30 will stay in the United States for a year's intensive study.

Delegates from Latin American countries and the Middle East will come to this country under sponsorship of the Technical Cooperation Administration. Participants from Western Europe, the overseas territories of Marshall Plan countries, and Southeast Asia will be sponsored by ECA.

A long tradition in the study of land problems underlies Wisconsin's interest in the program. Federal Government leaders are interested because they believe that a sound land tenure plan is necessary for fullest economic development of any country.

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Livestock Output in Northwestern Europe

by **FLOYD E. DAVIS**

In the 6 years since World War II, livestock inventories and the production of meat, milk, and eggs in northwestern Europe have made remarkable gains. Except for the generally poor crop year in 1947, production has increased rapidly because of favorable harvests, availability of feeds from abroad, and a demand for livestock products that has been strong enough to hold prices to farmers at favorable levels in relation to feed and other production costs until recently. Several factors contributed to the high output of livestock products reached in most of these countries by the end of 1950: Increased inventories of producing animals, efficient production and use of home-grown feeds and fodder, more economical use of high-protein feeds, and the availability of imports of bread grains to release home-grown grains for feeding.

As a result of wartime experience in planning and controlling production, Government officials in most countries have been able to utilize information on domestic and foreign feed resources, together with prospective demand for produce, to direct output along lines beneficial to producers and consumers. These activities have included forward commitments on the part of governments for feed supplies from abroad, rationing of feeds to producers in such a way as to maximize production from both imported and home-grown feeds, some subsidies paid on imported feeds, and guaranteed price levels to producers that have encouraged the output of certain livestock products.

Inflation and the threat of inflation in the early

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Cattle grazing on a meadow in Holland. To gain feeding efficiency, Dutch farmers move their cattle from one pasture to another frequently.

postwar years also encouraged producers in some countries to accumulate livestock inventories, especially cattle, rather than to market their stock for cash, for their was a shortage of goods that they could buy.

The demand for nearly all livestock products has been strong for several reasons. In the first place, after the war, the people of northwestern Europe were eager to buy these products, for they have traditionally figured prominently in the diets of that part of Europe. In the early postwar years when supplies of other consumer goods were restricted, an even higher proportion of consumer incomes was available for meat and livestock products. In addition, the population of most of these countries has risen, contributing to the increased demand for meat, dairy, and poultry products.

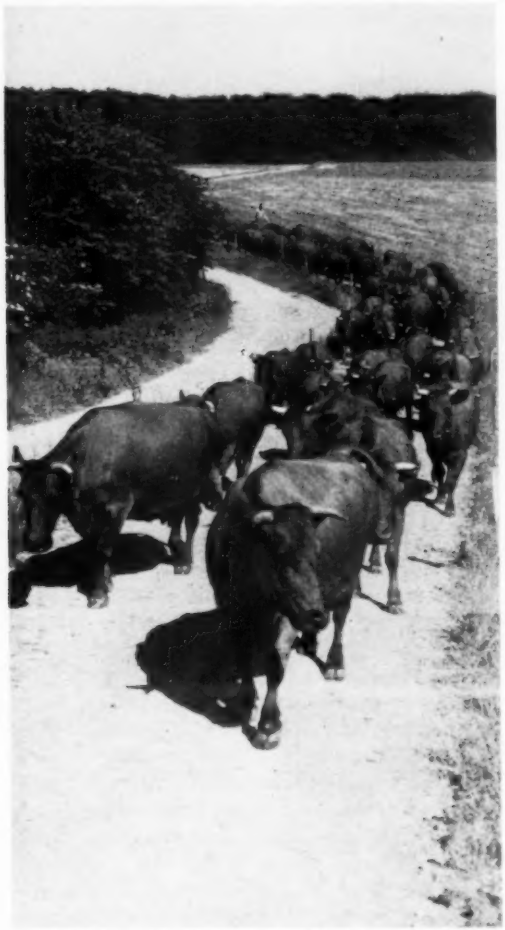
Another condition favorable to Western European producers of livestock products relates to the competitive supplies of meats, dairy products, and eggs available from other producing areas of the world. In North America, a strong home demand has restricted supplies available for export to Western Europe. Southern Hemisphere exports are reduced and, in addition, a high proportion is tied up by bulk contracts with the United Kingdom. Furthermore, the movement of livestock products from eastern Europe and southeastern Europe have been largely cut off from Western European consumers.

At the same time, feed-grain and feed-concentrate supplies in the free world have improved because of good harvests, especially in North America. In addition, Marshall Plan aid and the gradual alleviation of exchange difficulties have made it possible for feed supplies to be imported into the northwestern European countries. These supplies have permitted producers in those countries to expand their output of meats, milk, and eggs.

The quality of the livestock in these countries is better than it was before the war, too. The heavy liquidation of inventories during the war years, the need for efficient use of feed resources, and the subsequent rebuilding of herds afforded an opportunity for significant improvement in dairy cattle, laying hens, and hogs in the rebuilt herds. Governmental regulations, as well as the prudence of the indi-

vidual producers, brought about a marked culling out of less desirable animals in 1940, 1941, and to a lesser extent in subsequent years. Breeding and testing programs in most of the countries have assisted materially in this effort. As a result, the production of milk per cow and the number of eggs per hen are now significantly higher than before the war in a number of areas.

In the past 10 or 15 years, material progress has been made in the detection, diagnosis, prevention, treatment, and control of livestock diseases. The war accentuated some of the disease problems, but scientific advancement in biologicals and in veterinarian techniques, together with the price incentives to producers to reduce the economic losses from diseases and pests, have all aided in increasing output in some countries.



Red Danish milk cows on a farm in Denmark.

In addition to developments in combating disease and pest losses, scientific advancement in animal nutrition and the determination of economic feeding standards have also added to the productivity of herds and flocks.

Small farms of only a few acres, many of only 3 to 10 acres, are common in northwestern Europe. Farmers on these small acreages are primarily limited to intensive livestock production. They cannot shift to grain or other farming enterprises readily. A number of the governments in their feed subsidies and rationing programs have favored small livestock producers. On the other hand, the incentives for livestock production have encouraged the operators of larger units to adopt cultural practices that would maximize their output of feeds and forage.

As evidence of increased productivity of animals, the output of milk per cow in 1950, in nearly all countries, was above that for the prewar period and in a number of countries was well above the prewar average. Likewise the output of eggs per hen was higher.

Much is said about the dependence of the countries of northwestern Europe upon imported supplies of concentrate feeds (coarse grains and protein meals). These supplies are an important supplement to indigenous feeds, but it is pasture, fodder, and domestic grain that livestock producers in these countries basically depend upon. Since before the war, root crops have been increasingly important for fodder. The contribution that grass, fodder, and roots make to feed requirements compared with concentrate feeds can be illustrated by the situation in the United Kingdom. Of an estimated 23.8 million tons of starch for feed in 1949–50, 6.8 million was accounted for from concentrates, about one-half of which was imported. The supply of protein for the same year from all sources totaled 4.0 million metric tons, of which only 1.2 million was from concentrates. Assuming that half of the protein, as well as of the starch, from concentrates is imported, combined imports of the two would total 4.0 million tons, or *14* percent of the total supply of 27.8 million tons of starch and protein. Grass, fodder, and root crops, on the other hand, furnish about 73 percent of the carbonaceous and protein feeds.

In the Low Countries the proportion imported

Sheep on a typical Dutch farm. Recently, high wool prices have begun to stimulate interest in sheep and wool production in some of the countries of northwestern Europe.

would be higher but in France and Germany the proportion would be much lower. In France, only an estimated 2 percent of total feed units are imported.

Meat production in the nine countries of northwestern Europe dropped more than one-third during the war years. In the 5 years since the war, this loss has been overcome, with production in practically every country in 1951 expected to approximate or exceed prewar output. The most rapid recovery has been in the output of pork, which had declined most and which constitutes about one-half of the red-meat production in the nine countries. The present high prices of feed grains are now tending to limit further expansion in pork output, and further gains in meat production will have to be largely in beef and veal output. With herds of cattle now largely rebuilt, it should be possible to slaughter a larger number of animals each year.

Total milk production in the nine countries in 1950 reached 139 billion pounds, 5.3 percent more than the 132 billion pounds in the prewar period. This was made possible largely by the increased output per cow, for in all but a few countries fewer cows are milked than before the war.

The average yield of milk per cow in a number of northwestern European countries, especially the Netherlands, Denmark, and Belgium, was relatively high before the war, yet by 1950 the production per cow was appreciably higher in nearly all the countries. The weighted average production per cow for the nine countries rose from 5,131 pounds per cow in the period 1934–38 to 5,439 pounds per cow in 1950—an increase of nearly 6 percent. It is of interest to note that this average of nine countries exceeded the United States production per cow in 1950 of 5,292 pounds.

Egg production, which had also dropped sharply in the war years, was stepped up rapidly after the war. By 1950, output in the nine countries was 13

TABLE 1.—*Milk production: Average yield per dairy cow in selected Western and Northern European countries, average 1934–38, annual 1946–50*

Country	Average 1934–38	1946	1947	1948	1949	1950	Percentage 1950/1934–38
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Percent*
Belgium	7,022	6,827	6,649	7,418	7,573	7,309	104
Denmark	7,047	6,369	5,855	6,102	7,029	7,566	107
France	3,929	3,244	2,987	(3,371)	3,763	4,057	103
Western Germany	[1] 5,467	[2] 3,682	[3] 3,285	[4] 4,409	4,702	5,452	100
Ireland	[5] 4,140	3,967	3,839	3,906	4,310	4,348	105
Netherlands	7,658	6,104	6,351	7,256	7,823	8,385	109
Norway	3,660	3,313	3,520	3,994	4,443	4,676	128
Sweden	5,327	5,712	5,545	5,585	6,107	6,489	122
United Kingdom	5,583	5,334	5,188	5,634	5,830	6,136	110

[1] Average for 1935–38. [2] July 1946–June 1947. [3] July 1947–July 1948. [4] July 1948–June 1949. [5] For the year 1939.

percent above the 1934–38 average. Part of this gain was due to a higher rate of lay. The Netherlands, with considerably fewer chickens than prewar, is now producing nearly as many eggs because of an increase in the annual rate of lay.

Wool production in these countries totaled 208 million pounds in the prewar period but dropped to 153 million pounds in 1947. Since that time, production has increased, reaching 178 million pounds in 1950. Recent high prices for wool in world markets have increased interest in sheep in some European countries.

The ability of European farms to support a larger livestock production has been enhanced by a number of cultural and conservation practices in growing forage. A larger acreage of higher-yielding fodder root crops is being planted. Higher-yielding strains of beets and other roots with a greater sugar content are being grown. Advancement has been made in conserving the tops from fodder roots as well as those from sugar beets. Farmers have become accustomed to growing larger acreages of potatoes and in most years the production not needed for food has contributed to the feed supplies. The carrying capacity of pastures has been improved through use of commercial fertilizers and improved grasses. In some countries particularly the Netherlands the output from pastures has been stepped up by rotational grazing. More progress in forage production is believed possible and with present price incentives livestock numbers, especially cattle, and output of products should expand further.

At the present time, European livestock producers seem to be in a desirable position. Their production has been increasing, they have a ready market for it at home or in nearby countries, and there seems to be no immediate competition from cheap supplies of meat, dairy products, and eggs from abroad. However, cost-price relationships (feed-livestock) have recently shown deterioration.

Dairy cows on an upland farm in Sweden.

"County Agent" in Greece

by C. S. STEPHANIDES

Nearly 20 years ago, I went to Macedonia to work for the Greek Government as agricultural extension agent. I was a native of Greece, educated in the United States. Extension work was new to me, and my work was new to the farmers of Macedonia. In the 8 years that I spent working among them, I learned a great deal that may be of interest to people who are going out now under Point Four to set up agricultural improvement programs in countries that are foreign to them.

My first year was a difficult one. The farmers were cordial to me but unreceptive to my new ideas on farming. I tried to institute United States farming practices without finding out why the local farmers used the methods they did. Although I wasted time during the first 2 years, I finally realized that before I could help I must study the local problems more carefully. United States methods could not be transplanted; they had to be adapted.

On this basis I set up a program during the next 6 years that was to increase farm income and establish a solid, sincere friendship that space, time, and a war has not eliminated.

My first step was to select one or two important projects that could be successfully carried out on trial basis and that would produce spectacular results. An early experiment dealt with the treatment of grain against smut. No preventive treatment was practiced in the area, and during some rainy years the losses amounted to as much as 45 percent of the crop. Several farmers who were leaders in the community agreed to treat their seed, and the results were highly successful. Their seed did not produce clouds of dust at threshing time, their bread was not black, nor did it have a peculiar taste. The news spread, and others were anxious to follow this practice. I did not have to promote treatment the following year.

The next year a new smut-resistant variety of oats was sown by a few farmers on a trial basis. The superiority of this seed over the local variety was soon apparent, and I was then faced with a new problem—not how to persuade the farmers to use the new variety, but how to find enough seed to meet their increased demands.

Thus, as time went on, one practice after another took hold in the village economy. One of the most spectacular advances was made in the field of livestock improvement—a project that began in 1934 when the milk situation was brought to my attention. At that time I had malaria and could eat little but yoghurt (cultured milk with *bacteriam bulgaricus*). I was living in Stavrohori, a village about 28 miles from Salonica. My wife went from house to house searching for yoghurt, but none was to be found. The village had 600 cattle, but milk was available only in spring when pastures were green. In winter the livestock usually lived on straw with seldom any grain or other concentrates. As each farmer had but 2 or 3 cows, he could not afford to keep a bull for breeding, and bulls were usually castrated at a young age and used as draft animals. Farmers often had to take their cows to remote villages for breeding.

I was determined to see that the village of Stavrohori had milk throughout the year, and as soon as I recovered I asked the farmers to attend an important meeting. Since I knew them well by this time, I spoke bluntly. Why is there no milk during most of the year when you have about 600 cattle? What can be done to remedy the situation? Some of the answers to the first question were:

(1) The pastures are poor and provide sufficient feed only during early spring. (2) The cattle are not suitable for milk production. (3) Feed is scarce. The small crop of oats and barley is either sold or fed to draft animals. Cows are fed straw. (4) No forage is raised in the village. (5) There are no breeding bulls, and most cows are not bred.

We then discussed what steps could be taken to overcome these difficulties.

(1) To improve the pastures, it was suggested that part of the pasture be rotated every 2 years so that the plants could reseed, that fertilizer be used, and that the pasture be plowed in furrows at intervals of 100 feet to prevent runoff. (2) To improve the local cattle, it was decided to cross the native strain with the Brown Swiss, which are similar in color, conformation, and hardiness. (3) The farmers prom-

Dr. Stephanides, livestock specialist and agricultural economist, is assisting the Government of Iran with its livestock improvement program. When this article was written, Dr. Stephanides was Regional Information Specialist, OFAR.

ised that they would feed the cattle more grain and, if necessary, buy concentrates, should the improved animals justify such an expense. (4) The need for forage crops in the rotation of crops and the better feeding of livestock was realized, but few farmers were willing to try vetch and cowpeas. It was up to me to find seed. (5) It was agreed that bulls must be castrated early to prevent interference in the breeding program.

The committee appointed to buy the breeding bull lost no time in finding ways and means to raise the money needed. Each farmer was taxed in kind. He gave eggs, barley, oats, wheat, cheese, butter, or poultry in proportion to the number of animals he had. Several kinds of farm produce were collected and sold at an auction at the coffee house. The committee arranged the purchase of the bull and brought it to the village, where it received a royal welcome. The bull was called the king of the village and had the right to pasture in any field or farmyard.

The committee succeeded in building a small stable from local material with volunteer aid and fenced about 10 acres of community land where vetch, barley, and oats were sown for pasture and hay.

There were about 37 calves the first year. They were about one-fourth larger than the local calves and grew more rapidly. Competition between the calf and the farmer's family for milk was keen, but the calves were provided with grass and concentrates at an early age.

To encourage better care of the calves, the livestock committee planned a calf contest during the fall. Prizes of harrows, alfalfa seed, vetch seed, fertilizers, grafting knives, sprayers, improved-poultry eggs, and the proper kind of holders for cattle were selected on the basis of their importance to local agriculture and also as a means of introducing new methods to the village. They were mostly donated by regional merchants, banks, and agricultural institutions.

The calf contest program served several purposes: It encouraged the farmers of Stavrohori to improve the care and management of their livestock, showed government and civic leaders how a well-organized program at the village level could improve agricultural practices, and interested neighboring villages in better livestock practices.

As a result of the calf contest of Stavrohori, five nearby villages bought Brown Swiss bulls, and asked me to help them organize other agricultural activities designed to improve their livestock.

Stavrohori faithfully carried out other practices as part of the livestock program. The farmers grew more vetch, improved their pasture, bought more concentrates for livestock, and generally improved the care and management of their livestock. They bought 2 more Brown Swiss bulls, since 1 bull was not sufficient for the 600 cattle; they also bought a water buffalo bull for their water buffalo cows and a large black boar in order to improve their swine. The regional agricultural bank gave the village an up-to-date stable for stabling the breeding stock and built storage facilities for grain and hay and a small room for the herdsman who had charge of the breeding stock and records.

By 1939 Stavrohori, which had no milk in 1934, had to invite a commercial cheese manufacturer to buy its surplus milk.

Many other agricultural practices were introduced which contributed to a higher and better standard of living for the farmers of Stavrohori. Some of these were: drilling seed (instead of broadcasting), disinfecting seed, selecting seed, and use of fertilizers. Vegetable growing, vineyard planting, grafting fruit trees, bee keeping, turkey raising, and poultry and sheep improvement were also introduced.

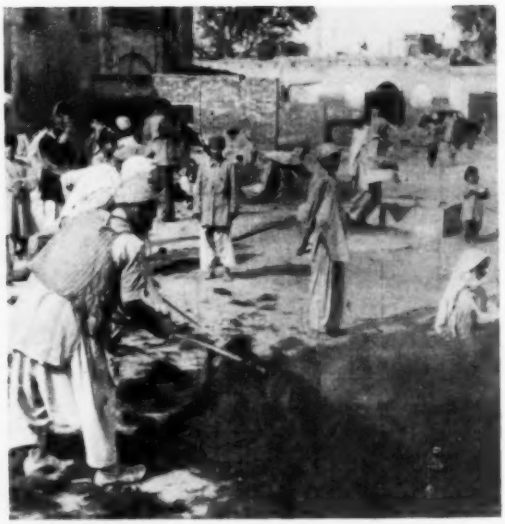
When I left Stavrohori I felt that the farmers had learned a great deal. I know I had. I now realized that a program of agricultural improvement must be understood by the average farmer and must have his support for its development and execution. Only then will it be successful. I learned, too, that a project leader or consultant must have patience and and understanding of the farmers' problems. He must be able to make use of local leadership, and it is particularly important that he have the confidence and cooperation of government and civic institutions, which should feel a part of the program.

The first project that the leader or consultant undertakes is the most difficult. The chief difficulty in later projects is finding time to work on them. Whatever the project may be, it should be left to the farmers to find ways and means to carry it out. The leader should be responsible for organizing the project, helping the farmers when they need technical aid, and reviewing and interpreting the results of the completed job.

The Stavrohori livestock project continued during the war when many government livestock experiment stations were completely destroyed. It survived because it was a project started and conducted by the farmers. Stavrohori found ways to protect its own creation from enemy destruction.

Pakistan Carpet Wool Goes to Market

Sorting carpet wool by color in a central market.



Winnowing carpet wool to remove loose dirt and dust.

Pakistan is one of the world's largest producers of carpet wool. Its importance to carpet manufacturers has become even greater now that Chinese wool is no longer available to world markets.

During 1950, Pakistan exported nearly 34 million pounds of carpet wool, valued at about $23.7 million. The United States imported about a third of this wool directly from Karachi and bought additional quantities through the Liverpool wool auctions.

At present, hand labor is used extensively in preparing wool for export. In this tedious work, it is said that a laborer normally cleans about 10 pounds of wool in an 8-hour day.

After wool has been winnowed, it is washed in cold water.

Wool is sun dried, then tramped into a bale press.

By oxcart the baled wool is moved to the railroad to begin its export journey.

Argentine Grain Marketing

by C. A. BOONSTRA

Grain marketing in Argentina has moved from private to state control in recent years. The present market centers about the Argentine Trade Promotion Institute (IAPI), a Government entity. Trade policies affecting grains are controlled through IAPI by the National Economic Council, a group consisting of the Ministers of Economy, Treasury, Finance, and Industry and Commerce. The Minister of Agriculture has no direct participation or representation in grain marketing activities or in policy formulation.

Current price announcements under this marketing system are given at the end of the article.

Official Prices

IAPI each year announces official prices at which it will purchase major crops from producers, including wheat, rye, corn, barley, oats, flaxseed, sunflower seed, and peanuts. Price announcements are made at any time from preplanting to postharvest, there being no fixed policy.

Producers are not compelled to sell to IAPI; they can sell domestically at any obtainable price. Since IAPI is the only exporter, the internal prices of such crops as wheat that have large export surpluses are usually on a par with IAPI's official price. For crops that have small exportable surpluses or those that are not exported directly—oilseeds, for example—the domestic price frequently exceeds official quotations.

Domestic Trade

Although in general the domestic market is free to private trade, there is an important exception in wheat since flour mills are supplied through IAPI. The mills are permitted to buy wheat from producers on sample, but IAPI fixes the price and contract terms. As a consequence, the wheat market is dominated by IAPI, differing from that of other grains and oilseeds, which have uncontrolled local outlets. For oilseeds, crushers are required to pay official prices, or higher, to producers in order to sell exportable oilseed products to IAPI.

Grades and Standards

IAPI buys and sells exclusively on the basis of Argentine grain standards promulgated in recent years. Direct export sales to foreign governments are made on the Argentine certificate of grade and specific weight, replacing the f.a.q. (fair average quality) London contract previously used in the Argentine export trade. A small volume of f.a.q. shipments are still made when exporters buy from IAPI and sell abroad for their own account.

Sales by Producers

Private grain dealers still are common throughout Argentina, operating in the interior on domestic business and/or as buying agents for IAPI. In foreign trade, large grain firms act as commission agents for IAPI, negotiate with IAPI as agents for buyers abroad, or buy for their own account from IAPI for resale in foreign markets.

Grain can be sold to IAPI by producers, dealers, brokers, or cooperatives. The three procedures generally followed are given below:

1. Producers or other holders can offer grain directly to IAPI, either to its central office or to one of its authorized agents. The IAPI will send an inspector to verify the physical quantity and to draw samples for grading. A certificate is then issued to the seller, naming him as depository. The certificate can be negotiated at any branch of the Bank of the Nation at the official price. Allowances for storage charges and deterioration are paid by IAPI, beginning 30 days after issuance of the certificate if delivery orders are not previously given.

2. Producers can sell grain to dealers, cooperatives, or brokers who buy at official prices and then sell to IAPI at the same prices, with profit margins being limited to the anticipated allowances for storage and deterioration, plus mixing profits. Brokers receive from IAPI a commission of 1 percent.

3. Producers or other holders can deliver grain to elevators or warehouses of the National Grain and Elevator Bureau and then present the receipt and grade certificate to the Bank of the Nation for payment in full.

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Handling of Stocks

Since the sale of grain and oilseeds to IAPI is not compulsory, stocks at any given time may be held by producers, dealers, cooperatives, and the IAPI. When the prevailing market is at the official price, most stocks will pass rapidly into IAPI's hands. When the domestic market is higher, as was the case last year with corn and oilseeds, the commodities may remain in private hands.

IAPI's stocks ordinarily are distributed among privately owned country warehouses and the elevators of the National Grain and Elevator Bureau, located principally at export ports. Emergency storage for large crops, or accumulated surpluses, is provided by concrete pits operated by the Ministry of Agriculture.

Export Sales

In exercizing its export monopoly, the IAPI sells commodities abroad by one of the following methods:

1. In bulk contracts negotiated directly between IAPI and a foreign government, IAPI agrees to place the grain f.o.b. at stipulated Argentine ports. The purchasing government ordinarily designates a private exporter as agent to look after sampling, loading, and financial details of the transaction. IAPI pays to the exporter a commission of 0.75 percent, basis f.a.s. value, for his services. In bulk contracts of this type, the grain is sold on the Argentine certificate of grade and specific weight.

2. Private buyers abroad, in purchasing from IAPI, may negotiate directly and later appoint a private Argentine exporter to handle the transaction or may arrange initially for the Argentine exporter to negotiate with IAPI on their behalf. In the first case, IAPI pays a commission to the export handler. The second case frequently involves an f.o.b. sale by IAPI to the exporter who then resells to the foreign buyer c.i.f. The basis of sale by IAPI in both cases is the Argentine certificate of quality, but if the exporter resells c.i.f., the foreign purchase can be optionally the Argentine standard or f.a.q.

3. IAPI occasionally offers grain to exporters f.o.b. at a stipulated price, calls for exporter's offers, or auctions to exporters a given quantity of grain. In these cases, the exporter buys the grain f.o.b. for his own account, subject however to a declaration on the ultimate destination and the identity of foreign currency that will be exchanged at the Central Bank. The exporter then sells to foreign buyers, either f.o.b. or c.i.f., taking the risk of price fluctuations upward or downward. The IAPI sale as usual is based on the Argentine certificate of quality, but the final delivery abroad may be f.a.q. if so agreed by exporter and foreign buyer.

Current Activities

Most of Argentina's exportable wheat this year was sold in government-to-government transactions with Brazil, India, and Italy, subject therefore to shipment on the Argentine certificate rather than on the f.a.q. basis. The latter basis is being used very little for wheat since only small quantities are being shipped by private traders who bought from IAPI for resale abroad. Buyers abroad frequently criticize the Argentine certificate as being inadequate, preferring the f.a.q. basis whenever possible, but the scale of IAPI operations is so large that the new system appears firmly established.

Prices that IAPI will pay to producers for 1951–52 crops were announced by President Peron in June this year. These were basic prices for wheat, flaxseed, corn, and sunflower seed; no mention was made of peanuts, rye, barley, and oats.

Advance publicity had indicated that the Government desired increased grain plantings in 1951–52, but the President's speech contained no special appeal of this nature nor was there any mention of

Concrete-covered grain storage pits in the heart of Argentina's corn belt, near Pergamino. Much of the grain held by IAPI for export is stored in this way.

acreage goals. Another puzzling feature was the President's promise to distribute grain export profits to producers if they were higher than present profits. This promise was quite different from the promise made in May last year that IAPI would distribute profits to producers after deducting necessary costs and reserves. IAPI currently retains 40 percent or more of the export price, and profits above this margin next year are considered unlikely.

The new price for *wheat* of 34 pesos per 100 kilos [1] compares with 28 pesos guaranteed in advance of the crop last year and revised at harvesttime to 30.5. The latter was unsatisfactory to most producers, particularly since IAPI sold the wheat abroad as high as 58 pesos. Producers are skeptical about the extent of future profit distributions by IAPI. Planting intentions were formulated early in April or May; preparation of land for late wheat and sowing of early wheat was completed in June. Planting will continue into this month, but producers do not expect that the total acreage will be much above that of 1950–51, estimated officially at 6,553,900 hectares (about 17,000,000 acres).

This season's price of *flaxseed* is 50 pesos, compared with the 1950–51 guarantee of 41. IAPI recently has been selling flaxseed in European markets at more than 100 pesos. The Government, although evidently desiring an increase in flaxseed acreage, is maintaining a practice that in previous seasons has caused growers to switch from flaxseed to wheat; namely, establishing the wheat price near 70 percent of the flaxseed price rather than at 60 percent, the approximate level that under normal conditions equates returns from the two crops. Nevertheless, some increase may be achieved in flaxseed acreage this year since, when prices were announced, the time was late for switching further to wheat, whereas there was ample time to prepare land for sowing flaxseed. Observers believe that 1.5 million hectares is a possibility, compared with 1,084,700 hectares (2,680,300 acres) in 1950–51.

The promise of 30 pesos for *corn* has no relationship necessarily to 1951–52 acreage. This crop will not be planted until September–November, and, because of rapid inflation and spiraling costs, growers generally will delay their decision until this month when price-cost relationships for corn are more clearly defined. Last year the growers were promised 24 pesos but refused to sell at that price, forcing the Government to advance the price to 27 pesos in May and to promise a participation in IAPI's profits. Recent export sales by IAPI have been priced at 55 pesos.

Under present conditions, the price of *sunflower seed* is established by the crushers, who ordinarily pay more than the basic price established by the Government. Last season the basic price was 29.5 pesos but crushers have been paying 35 pesos or more. The 1951–52 guarantee of 34 pesos offers no special encouragement for producers; furthermore, the planting decisions, as for corn, will be deferred to a later date. Part of the sunflower seed is planted from September to November and the balance is a catch crop following wheat, depending largely on soil and moisture conditions in December.

From the Government's point of view, one of the obvious difficulties in raising producer prices toward the export level is that of causing similar increases in prices paid by domestic consumers. The Government is trying simultaneously but unsuccessfully to keep domestic consumer prices down, to encourage producers by higher prices, and to retain a profit margin for IAPI.

Sampling grain in Argentina. Private agents or IAPI inspectors usually establish the quality of a grain shipment by sampling.

[1] At the present rate of exchange, a peso equals 20 U. S. cents. A kilo is 2.2046 pounds.

Yugoslavia's New Farm Marketing Scheme

by THOMAS M. VENABLES

In May of this year the Yugoslav Government announced two decrees designed to change radically the prevailing system of marketing and distributing farm products and thus encourage larger agricultural production.

The first order provided for partial abandonment of compulsory deliveries to the state, with the immediate lifting of a ban on the sale of milk, potatoes, legumes (beans, peas, and lentils), hay, and straw in the open market. On July 1, meat also was freed from compulsory delivery. The commodities remaining on the mandatory delivery list were grains (including rice), fats, and wool, and industrial crops that farmers contract to produce and deliver to state agencies.

The second decree instituted a change in the rationing system to enable consumers who receive a food ration card to also obtain, without charge, coupons entitling them to purchase additional food products at 20 percent of the prevailing free-market price. All retail shops that sell food at reduced prices were to be compensated by the Government for all sales against coupons.

Marketing System

Before considering the Government's new regulations in greater detail, it may be appropriate to review the marketing system that previously was in effect for most farm products and that continues to apply to grains, fats, wool, and so on.

Since the inception of the Five-Year Plan in 1947, the Yugoslav Government has annually made a national estimate of requirements of agricultural products. This estimate is based on the needs of the nonagricultural sector of the population and the amount required for industry, exports, the military, and stocks. These requirements are then adjusted to the prospective supply and a national delivery quota established.

The quota is divided among the six Republics and later subdivided among the districts, the villages, and finally among the individual peasants. The peasant, at the low end of the hierarchy, has no one to whom he can pass on his quota; therefore, he must produce and deliver. The formula used to determine the peasant's quota has been changed from time to time. Prior to the 1950–51 crop the delivery quota was set at harvesttime. Since then the quota has been set before planting. This change has the effect of disregarding weather or other factors influencing yields. Although some adjustments in delivery quotas have been left to the discretion of local committees, the peasant has been pushed to the limit. Peasants farming an arable area of 2 to 3 hectares (5 to 7 acres) have been required to deliver up to 450 kilograms of grain per hectare (6.7 bushels of 60 pounds per acre). Those having 3 to 5 hectares have had a quota that ranged up to 850 kilograms per hectare (12.6 bushels per acre). Larger farmers have been required to deliver progressively larger quantities. Livestock deliveries, too, for the most part have been based on farm size, and only the smallest enterprises have been exempted from compulsory deliveries. If the peasant has a good year, he may meet his delivery obligation without undue hardship and have a surplus above his minimum farm and home needs.

For his quota the farmer has been paid by the state at a low fixed price. Any surplus may be sold to the state, with the producer rewarded for his extra effort or good fortune by a moderately higher incentive price. As a further inducement the peasant may receive, in addition to the Government's fixed or incentive price, coupons that entitle him to purchase tools, textiles, or other scarce manufactured goods at comparatively low prices. This combined payment is known as a tied-price. If the peasant chooses, he may sell his noncontrolled commodities and surpluses in the free market for prices determined by conditions of supply and demand (although there are often upper limits or ceilings set by the Government). If he sells on the free market, the peasant must forego the tied-price coupons that he would have received had he sold his surpluses to the Government. There are, therefore, three price

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levels for agricultural products: the low fixed prices for mandatory deliveries; the somewhat higher "incentive" fixed prices; and the free market prices.

Few Yugoslav peasants are concerned with surplus problems; farm and home requirements, high delivery quotas, poor soil, and climatic uncertainties reduce that worry to a minimum. Therefore, if the peasant has a poor year, he may be obliged to buy or borrow enough grain, wool, or tobacco to fulfill his mandatory delivery quota or contract; this may result in considerable hardship to his family and his entire farming operation.

From time to time, there have been seasonal relaxations of deliveries to encourage the movement of certain products from farm to market. Following the devastating drought of 1950, the Government, through its local Peoples' Committees, also reduced mandatory deliveries in most distressed areas. In the past, these relaxations have been withdrawn before the next harvest, as enforced deliveries would again assure an adequate supply for nonfarm uses. Whether the lifting of restrictions on the sale of milk, potatoes, legumes, hay, and straw is only a temporary measure is problematical. The fact remains that grains and fats, the delivery of which is still controlled, are extremely important items of production in Yugoslavia and are considered indispensible commodities in the consumer's market basket. According to official Yugoslav reports, cereals occupied 83 percent of the country's harvested area in 1948, while potatoes, legumes, and tame hay accounted for only 9 percent. Despite the partial scrapping of compulsory deliveries, the peasant is still a long way from complete marketing freedom. Moreover, as we shall see later, he is discriminated against in the market place if he does not join a collective farm.

In explaining the operation of the new orders, Mijalko Todorovic, President of the Federal Council of Agriculture, writing in *Borba*, the official Communist Party newspaper, states that peasants resisted the compulsory delivery of essential commodities by producing for their quotas rather than for maximum output. If, by chance, the independent peasant farmer produced a salable surplus over his quota, he sold it, together with his uncontrolled products, in the free market where he made "high profits." Todorovic points out further that during its formative years the "socialist sector" of agriculture (collectives and state farms) concentrated on the production of controlled products. But even in that it was inefficient because of organizational difficulties, for it lacked experience in production and marketing methods and it was too small to produce significant marketable surpluses and thereby regulate prices or reduce speculation in farm products. Now, he reports, the state farms and the majority of peasant working cooperatives (collective farms) have overcome their weaknesses. "Their basic task now is to develop production and lower prices on the markets."

Likewise, socialized agriculture has been strengthened; it is reported that state farms and people's working cooperatives now farm 27 percent of the country's arable land, with the percentage going as high as 45 percent in some of the most productive areas.

Yugoslav officials are keenly aware that prices of commodities that may now be sold in the free market may rise. They believe, however, that the enhanced production of the socialist sector will be great enough to control speculation and assure low prices to the consumer. Every effort is being made to strengthen the position of the socialist sector in competition with private farmers. State farms and collectives have long had a high priority in receiving better seed, breeding stock, and more adequate fertilizer and machinery. The new marketing policy is designed to give them a further measurable financial advantage over private peasants.

Todorovic states that collectives will sell their surplus products through their own shops or to the state purchasing network at prices that are 15 percent below the free market. However, they will get additional coupons enabling them to buy manufactured goods at reduced prices. In this way the exchange value of their produce will be nearly 30 percent higher than that for other producers. Furthermore, the important commodities that still are subject to compulsory delivery—grain, fats, wool, and the contracted production of industrial crops—will be bought by the state from working cooperatives at prices more than 30 percent higher than those paid the independent farmers.[1]

Rationing Changes

The only food products that are rationed are bread, fats, and sugar, plus cocoa and rice for children. Under the new rationing order, those con-

[1] Since this article was written, a new decree was issued by the Yugoslav Government that increases by about 70 percent the average prices for grain except corn. All producers will share in these increases.

sumers who are entitled to a ration card will also receive, without charge, a monthly supply of purchase coupons that will enable them to buy food at a reduced price.

Effects of New Orders

The new decrees will directly benefit consumers and collective farmers, but how will independent peasants fare under the new scheme?

Despite the recent change, most of the output of independent farmers will be marketed as compulsory deliveries at prices below those paid to collective farmers. If the independent peasant has surpluses and decides to sell them to the state, he will receive prices that are 15 percent below the free market and he will not receive or share in the redemption of coupons as will his "cooperating" brother-producer. His other alternatives are to seek a buyer at free-market prices among the population that does not have a ration card and coupons, or among those who wish to buy in excess of their ration. His field is limited, however, as those without ration cards are mainly farmers who are largely self-sufficient in agricultural products. The independent farmer, who still constitutes the great bulk of Yugoslavia's agricultural population, will have greater freedom in marketing many of his products. It should be emphasized, however, that the present marketing system is a long way from the full marketing freedom that farmers knew before the war.

Agricultural Development In Japan and the Ryukyus

by LINDSEY A. BROWN

The apparent inability of Japan and the Ryukyu Islands to attain greater self-sufficiency in food finds support in the common belief that they have already reached maximum efficiency in food production. This conclusion, however, is not necessarily sound, for scientific agricultural analyses indicate a significant unexploited potential. There is an opportunity to increase the area's output through improved farming practices, further coordination of research and extension, and opening of the large areas of tillable but relatively inaccessible land now lying idle and needing improvement.

The islands are now producing about the same proportion of their total food supply that they did before the war. Japan, for example, produced 83 percent of its food last year compared with 85 percent prewar, despite a 30-percent increase in population since 1930–34. This output was possible partly because of expanded production but mostly because of slight undermilling of rice, restrictions on industrial uses of food, and lower food consumption levels.

In both Japan and the Ryukyu Islands, farms are small but exceptionally well kept. Observation from the roads and railroads suggests that all land susceptible of cultivation is intensively farmed. Unit-area production of major crops is or approaches the highest in the world. Nevertheless, scientific surveys have shown that this gardenlike, apparently efficient pattern of farming can be improved upon and output increased.

Take rice, for example—the main staple crop. Yields are high, and climate is favorable. Through the past 70 years, there has been constant improvement in the control and distribution of irrigation water. Improved varieties of rice, added quantities of fertilizer, constantly improved cultural practices, and attention to control of damaging insects and diseases not only have prevented normal deterioration of yields due to aging soils, but also have aided in increasing yields. However, despite the improvements that have been made, insects and diseases continue to cause unnecessarily heavy losses. Recent advances made in other countries in entomology and plant pathology offer excellent possibilities for further increasing production in these islands. In addition, some farmers have rice yields that are twice as high as the over-all average, indicating that there is still much room for improvement on the

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part of the less-progressive neighboring farmers.

According to surveys, the average yield of sweetpotatoes may be considered fair to good but is quite low when compared with yields in similarly favorable-weather areas of the United States. Notably, the more skillful farmer produces yields two to three times higher than his less skillful neighbor. Again the opportunity for growing more food is evident. A trip across the Kanto Plain or over southern Okinawa reveals some interesting facts about the proportion of tillable land under cultivation. Blocks of 10 to perhaps 300 acres of land are frequently devoted to cut-over firewood production. Economically, this use is far less productive than that on the adjacent lands, where grain, potatoes, and tea are grown. Some of these blocks of trees and brush are supposed to be windbreaks, but their shape and position are rarely such as to effect maximum wind protection. In northern Japan and the southern Ryukyus, many blocks of uncultivated, but tillable, land exist. Some extend over many thousands of acres. Soil surveys show that they are similar to successfully farmed fields in the regions. Transportation to the areas and a vigorous program of soil improvement, however, must accompany development of these lands.

Surveys indicate, too, that agricultural research and extension of the areas still lack adequate coordination. Reorganization of these programs during recent years, however, gives promise of more effective coordination and improved joint-service to the farmer. Agricultural research projects are now better planned, and it is hoped that they will provide statistically more precise interpretation of results in the future. The emphasis of the new extension services is to make research results readily available to farmers in a way they can understand and adopt.

The level of agricultural development in these islands of the Orient may be summarized as follows:

1. The generally favorable climate accounts for a significant part of the per-unit-area crop yields, which are in excess of those obtained in the United States, China, or India.

2. Although Oriental farmers are skillful and energetic, larger crop yields would be possible if all farmers could be induced to use the best-known practices.

3. Large areas of tillable land have not been brought under cultivation (estimated at 3,000,000 acres for Japan, by the Japanese Ministry of Agriculture and Forestry, and 55,000 acres for the Ryukyu Islands).

4. Closer coordination between agricultural research and extension and more skillful planning of experimental work, envisioned by reforms introduced since World War II, will aid significantly in increasing agricultural production.

Bundling barley in Japan. Most Japanese farmers are skillful and energetic but need encouragement to adopt improved farming practices.

FAO Council Meeting

The first session of FAO's Council in the Organization's new headquarters in Rome met from June 11–23. Seventeen of the Council's eighteen member governments were represented, and twelve governments that are not members of the Council but are members of FAO had observers at the meeting.

The Council had a full agenda in line with its job of keeping the world food and agriculture situation under review and of taking a close look at the progress of FAO's work. Some of the main items discussed, in addition to the review of the world food and agriculture situation, were a report on FAO's long-term objectives, the progress on the expanded technical assistance program, problems of land tenure, FAO's work on commodity problems, and nominations for Director-General and Chairman of the Council. Because it is unlikely that the conference building will be ready by November 5, which was the original date for the next FAO Conference, the Council agreed that the Conference will meet November 19, 1951.

For its review of the world food and agriculture situation, the Council had a fairly detailed document prepared by the FAO staff. The Council made a few modifications in this document and approved it. In its barest essence the Council's report was that agricultural production was higher in 1950–51 than in 1949–50, but that food supplies were not satisfactorily distributed.

The report on FAO's long-term objectives was prepared by a Working Party set up by the last FAO Conference, in November 1950. The Working Party, under the Chairmanship of United States Agricultural Research Administrator Philip V. Cardon, prepared a number of recommendations to guide the future activities of FAO, including some general principles for determining priorities of work and for encouraging greater concentration of effort of the Organization. The Working Party, after a thorough study of FAO's activities, concluded that its work has been conducted in a satisfactory, effective manner and that ways should be devised to provide the Organization with adequate funds to take care of the activities for which it is constitutionally responsible.

The Council congratulated the Director-General and the director of FAO's expanded technical assistance program on the excellent progress made in getting the program into full operation in a brief period of time despite the tremendous difficulties caused by the upheaval of the move of headquarters.

The discussion on land reform showed the great concern that most of the Council members have for improving the economic and social conditions of agricultural producers. It was agreed that FAO should encourage member governments to ask for technical assistance in rural reforms.

On FAO's commodity problems work, the Council stressed the importance of continuing the work of FAO's Committee on Commodity Problems and strengthening the effort to find generally acceptable solutions to agricultural commodity problems.

The Council discussed nominations for Director-General and Chairman of the Council. The results of its discussions were not made public but are being sent to member governments.

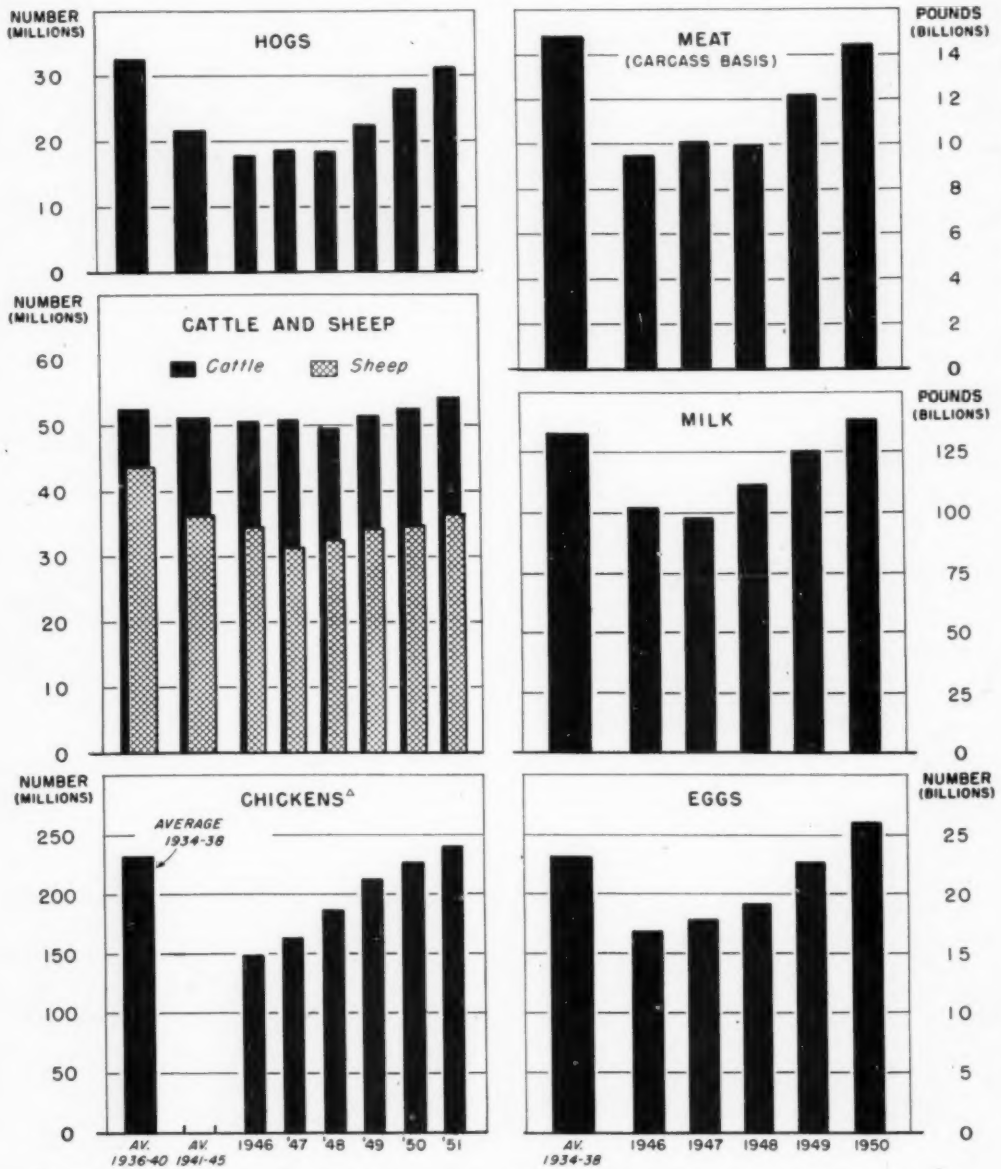
The United States Delegation to the Council was headed by Under Secretary of Agriculture Clarence J. McCormick, with Associate Director of the Office of Foreign Agricultural Relations Fred J. Rossiter as alternate; John Evans, Acting Deputy Director of the Office of International Materials Policy of the State Department, as Associate; and Dr. Cardon, USDA's Director of Finance Ralph Roberts, Ursula Duffus and James Anderson of the State Department, and Thomas E. Street of OFAR as advisers.

In addition, Howard R. Cottam, Counselor of Embassy, American Embassy at Rome, and Robert C. Tetro, Agricultural Attache in the Rome Embassy, served on the United States Delegation. The office of the Counselor of the Rome Embassy is acting as liaison with FAO for the United States Government.

The Council met in the first of FAO's new buildings to be completed. This building provides office facilities for FAO and has a pleasant terrace with a restaurant and cafeteria on top of its seven stories. The open terrace gives a magnificent view of the principal landmarks of ancient Rome.

Work on the second building was going ahead rapidly during the Council session. This building, which is several stories lower than the one already built, will have adequate facilities for meetings of FAO's Conference of 66 members nations and will house the FAO library.

NUMBER OF LIVESTOCK AND OUTPUT OF PRODUCTS IN NINE NORTHWESTERN EUROPEAN COUNTRIES*



*BELGIUM, DENMARK, FRANCE, WEST GERMANY, IRELAND, NETHERLANDS, NORWAY, SWEDEN AND UNITED KINGDOM

△FRANCE EXCLUDED FOR CHICKENS